

COPY

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF SOUTHERN INDIANA GAS AND )  
ELECTRIC COMPANY d/b/a VECTREN ENERGY )  
DELIVERY OF INDIANA, INC. ("VECTREN SOUTH - )  
ELECTRIC") FOR (1) AUTHORITY TO INCREASE ITS )  
RATES AND CHARGES FOR ELECTRIC UTILITY )  
SERVICE; (2) APPROVAL OF NEW SCHEDULES OF )  
RATES AND CHARGES APPLICABLE THERETO; (3) )  
INCLUSION IN ITS BASE RATES OF COSTS )  
ASSOCIATED WITH CERTAIN PREVIOUSLY )  
APPROVED QUALIFIED POLLUTION CONTROL )  
PROPERTY PROJECTS; (4) AUTHORITY TO )  
IMPLEMENT A RATE ADJUSTMENT MECHANISM TO )  
TRACK INCREMENTAL CHANGES IN CERTAIN )  
COSTS AND REVENUES RELATING TO ITS )  
GENERATING FACILITIES; (5) AUTHORITY TO )  
IMPLEMENT A RATE ADJUSTMENT MECHANISM TO )  
TRACK INCREMENTAL CHANGES IN NON-FUEL )  
RELATED MIDWEST INDEPENDENT TRANSMISSION )  
SYSTEM OPERATOR, INC. ("MISO") CHARGES AND )  
PETITIONER'S TRANSMISSION REVENUE )  
REQUIREMENT; (6) APPROVAL AS AN ALTERNATIVE )  
REGULATORY PLAN PURSUANT TO IND. CODE § 8-1- )  
2.5-6 OF A RETURN ON EQUITY TEST TO BE USED IN )  
LIEU OF THE STATUTORY NET OPERATING INCOME )  
TEST IN ITS FUEL ADJUSTMENT CHARGE )  
PROCEEDINGS; (7) APPROVAL OF REVISED )  
DEPRECIATION ACCRUAL RATES; (8) APPROVAL OF )  
THE CLASSIFICATION OF PETITIONER'S FACILITIES )  
AS TRANSMISSION OR DISTRIBUTION IN )  
ACCORDANCE WITH THE FEDERAL ENERGY )  
REGULATORY COMMISSION'S SEVEN FACTOR )  
TEST; AND (9) APPROVAL OF VARIOUS CHANGES TO )  
ITS TARIFF FOR ELECTRIC SERVICE INCLUDING )  
NEW INTERRUPTIBLE AND ECONOMIC )  
DEVELOPMENT RIDERS. )

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INDIANA UTILITY  
REGULATORY COMMISSION

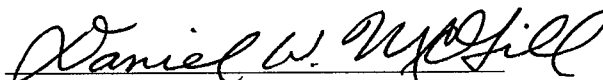
CAUSE NO. 43111

PETITIONER'S FIRST MONTHLY INVESTMENT UPDATE

Pursuant to 170 IAC 1-5-5(4)(D) of the Commission's Rules on Minimum Standard Filing Requirements, Petitioner Southern Indiana Gas and Electric Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. submits herewith its first monthly investment update regarding

the Culley Unit 3, fabric filter, a major project for which a rate base adjustment has been made in  
Petitioner's case-in-chief.

Respectfully submitted,



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Inc.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the foregoing Petitioner's First Monthly Investment Update was served by depositing a copy thereof in the United States mail, first class postage prepaid, addressed to:

OFFICE OF THE UTILITY CONSUMER COUNSELOR  
100 North Senate Avenue  
Room N501  
Indiana Government Center North  
Indianapolis, Indiana 46204

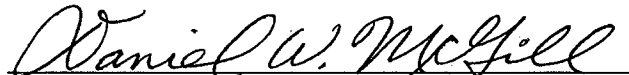
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this 16th day of November, 2006.

  
Daniel W. McGill

INVESTMENT REPORT  
CULLEY UNIT 3 FABRIC FILTER

This project is in the final stage of installation. The unit was shutdown on September 1, 2006 to perform the removal of the existing precipitator and installation of the Fabric Filter. This project is expected to be in service on January 1, 2007. All of the major components have been set in place using modular construction techniques. The remaining work consists of significant amounts of welding to secure and seal the enclosures, complete the insulation of the boxes and final tie in of all the electrical controls.

As of September 30, 2006, Vectren South has incurred capital costs (including AFUDC and capitalized overheads) of \$30,159,386. A detailed itemization of the costs is shown in Attachment No. 1.



Vechon Power Supply Summary for Multipointair Project									
06/23/2009 to Fabric Filter									
Project 16 Date Expenses through December 31, 2005									
Current Year Expenses through December 31, 2005									
Previous Year Expenses through December 31, 2005									
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.00	
Construction		382,000.00		382,000.00		382,000.00		382,000.00	
Removal		0.00		0.00		0.00		0.00	
Total		382,000.00		382,000.00		382,000.00		382,000.0	